

## Crowdfunding can work

It's the dawn of a new era in business funding, or so is being said. Actually, the technique of pooling small investments from lots of people to fund a project has been going on for decades. The difference(s) now, though, is mainly in the delivery. These days, one can bypass the middleman and go straight to the consumer via an Internet portal. A slew of websites are geared just towards making this happen [these are called 'crowdfunding' sites (some examples include Kickstarter, GoFundMe, and Indiegogo)]. Even better is (ironically) certain facilitators releasing public key APIs for money-gathering on custom sites (e.g., WePay).

The federal government, on the other hand, is doing its part to generate an economy by making it easier for people (businesses) to collect and keep their earnings during this wave of quick-and-clean cash. President Obama signed the Jumpstart Our Business Startups (JOBS) Act into law in 2012. That's important. The Act legislates certain bullets on the rules of the game; both lifting and curtailing investor limits (thereby softening the stance of the SEC), initial investment amounts, and a re-definition of 'solicitation'.

One caveat of the bill, however, is Title III. Until that is voted-on affirmatively by Congress, crowdfunding will still need a regulatory exemption for the widespread transaction of securities. But, there's reason to be optimistic. Rumor has it that Congress is set to completely pass the Act (including all Titles) by the end of February 2014 (of course, there was an identical rumor that once had

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targeted December 2013, as well). When this happens, expect to see a boom of Internet domains - along with small businesses - using the model of equity distribution to stock market their enterprises.

Me? I'm putting my money where my mouth is and have developed a custom site for *UUelcome*. Dream big, then hedge.

<http://lime.uuelco.me>

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